

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS ☒ X _____ WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

9804D2 Conf exp:

DATE FILED SEPTEMBER 19, 1996

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

INDIAN #

DRILLING APPROVED: OCTOBER 2, 1996

14-20-H62-3511

SPUDDED IN: 2.7.97

COMPLETED: 3/3/97 POW PUT TO PRODUCING:

INITIAL PRODUCTION: 37 Bbl, & mcf, 47 Bbl

GRAVITY A.P.I.

GOR:

PRODUCING ZONES: 4511-5057' GRAY

TOTAL DEPTH: 6399'

WELL ELEVATION: 6212'

DATE ABANDONED:

FIELD: ANTELOPE CREEK

UNIT:

COUNTY: DUCHESNE

WELL NO. UTE TRIBAL 16-06

API NO. 43-013-31710

LOCATION 1980 FNL FT. FROM (N) (S) LINE, 1980 FWL

FT. FROM (E) (W) LINE. SE NW

1/4 - 1/4 SEC. 16

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

5S

3W

16

PETROGLYPH OPERATING

| | | | |
|-----------------------|-----------------|------------------|-------------------|
| QUATERNARY | Star Point | Chinle | Molas |
| Alluvium | Wahweap | Shinarump | Manning Canyon |
| Lake beds | Masuk | Moenkopi | Mississippian |
| Pleistocene | Colorado | Sinbad | Humbug |
| Lake beds | Sego | PERMIAN | Brazer |
| TERTIARY | Buck Tongue | Kaibab | Pilot Shale |
| Pliocene | Castlegate | Coconino | Madison |
| Salt Lake | Mancos | Cutler | Leadville |
| Oligocene | Upper | Hoskinnini | Redwall |
| Norwood | Middle | DeChelly | DEVONIAN |
| Eocene | Lower | White Rim | Upper |
| Duchesne River | Emery | Organ Rock | Middle |
| Uinta | Blue Gate | Cedar Mesa | Lower |
| Bridger | Ferron | Halgaite Tongue | Ouray |
| Green River | Frontier | Phosphoria | Elbert |
| X marker 4572 | Dakota | Park City | McCracken |
| Druck 4715 | Burro Canyon | Rico (Goodridge) | Aneth |
| B limestone 5100 | Cedar Mountain | Supai | Simonson Dolomite |
| Castle Peak 51073 | Buckhorn | Wolfcamp | Sevy Dolomite |
| Basal carbonate 10073 | JURASSIC | CARBON I FEROUS | North Point |
| Wasatch | Morrison | Pennsylvanian | SILURIAN |
| Stone Cabin | Salt Wash | Oquirrh | Laketown Dolomite |
| Colton | San Rafael Gr. | Weber | ORDOVICIAN |
| Flagstaff | Summerville | Morgan | Eureka Quartzite |
| North Horn | Bluff Sandstone | Hermosa | Pogonip Limestone |
| Almy | Curtis | | CAMBRIAN |
| Paleocene | Entrada | Pardox | Lynch |
| Current Creek | Moab Tongue | Ismay | Bowman |
| North Horn | Carmel | Desert Creek | Tapeats |
| CRETACEOUS | Glen Canyon Gr. | Akah | Ophir |
| Montana | Navajo | Barker Creek | Tintic |
| Mesaverde | Kayenta | | PRE - CAMBRIAN |
| Price River | Wingate | Cane Creek | |
| Blackhawk | TRIASSIC | | |

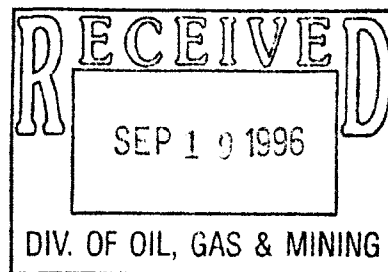
Petroglyph Operating Co., Inc.

P.O. Box 1839

Hutchinson, KS 67504-1839

September 17, 1996

Utah Division of Oil, Gas, & Mining
Attn: Mr. Frank Matthews, Petroleum Engineer
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801



RE: APPLICATION FOR PERMIT TO DRILL
UTE TRIBAL # 16-06
SE/NW SEC. 16, T5S, R3W
DUCHESNE COUNTY, UTAH
LEASE NO. BIA 14-20-H62-3511
UTE TRIBAL LANDS

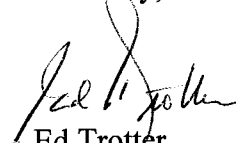
Dear Mr. Matthews:

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone # (801) 789-4120
Fax # (801) 789-1420

Sincerely,



Ed Trotter
Agent

Petroglyph Operating Co., Inc.

Attachments

/EHT/dmt

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | | | |
|--|--|--|---|--|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | | 5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3511 | | |
| b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME UTE INDIAN TRIBE | | |
| 2. NAME OF OPERATOR PETROGLYPH OPERATING COMPANY INC. <i>N-380</i> | | | 7. UNIT AGREEMENT NAME | | |
| 3. ADDRESS OF OPERATOR P.O. BOX 607 ROOSEVELT, UT 84066 | | | 8. FARM OR LEASE NAME UTE TRIBAL | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FNL & 1980' FWL SE/4 NW/4 At proposed prod. zone | | | 9. WELL NO. #16-06 | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20.4 MILES SOUTHWEST OF MYTON, UTAH | | | 10. FIELD AND POOL, OR WILDCAT ANTELOPE CREEK <i>obo</i> | | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980' | | | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 16, T5S, R3W | | |
| 16. NO. OF ACRES IN LEASE 640 | | | 12. COUNTY OR PARISH DUCHESNE | | |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 | | | 13. STATE UTAH | | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <i>6398'</i> | | | 20. ROTARY OR CABLE TOOLS ROTARY | | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6212' GRADED GROUND | | | 22. APPROX. DATE WORK WILL START* SEPTEMBER, 1996 | | |

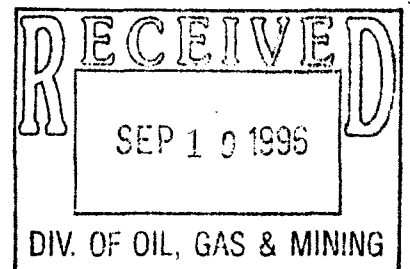
PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|---|
| 12 1/4 | 8 5/8 | 24.0# | 250' | 135 sx class "G" + 2% CaCl ₂ |
| 7 7/8 | 5 1/2 | 15.5# | 6398' | + 1/4 #/sx celloflake. |

50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONE OF INTEREST (+10% EXCESS) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

PETROGLYPH OPERATING COMPANY INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND # BO 4556.

pc: Utah Division of Oil, Gas & Mining
Bureau of Indian Affairs, Fort Duchesne Utah
Ute Indian Tribe, Fort Duchesne Utah



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *[Signature]* TITLE AGENT DATE 9-17-96

(This space for Federal or State office use)

PERMIT NO. *43-013-31710* APPROVAL DATE

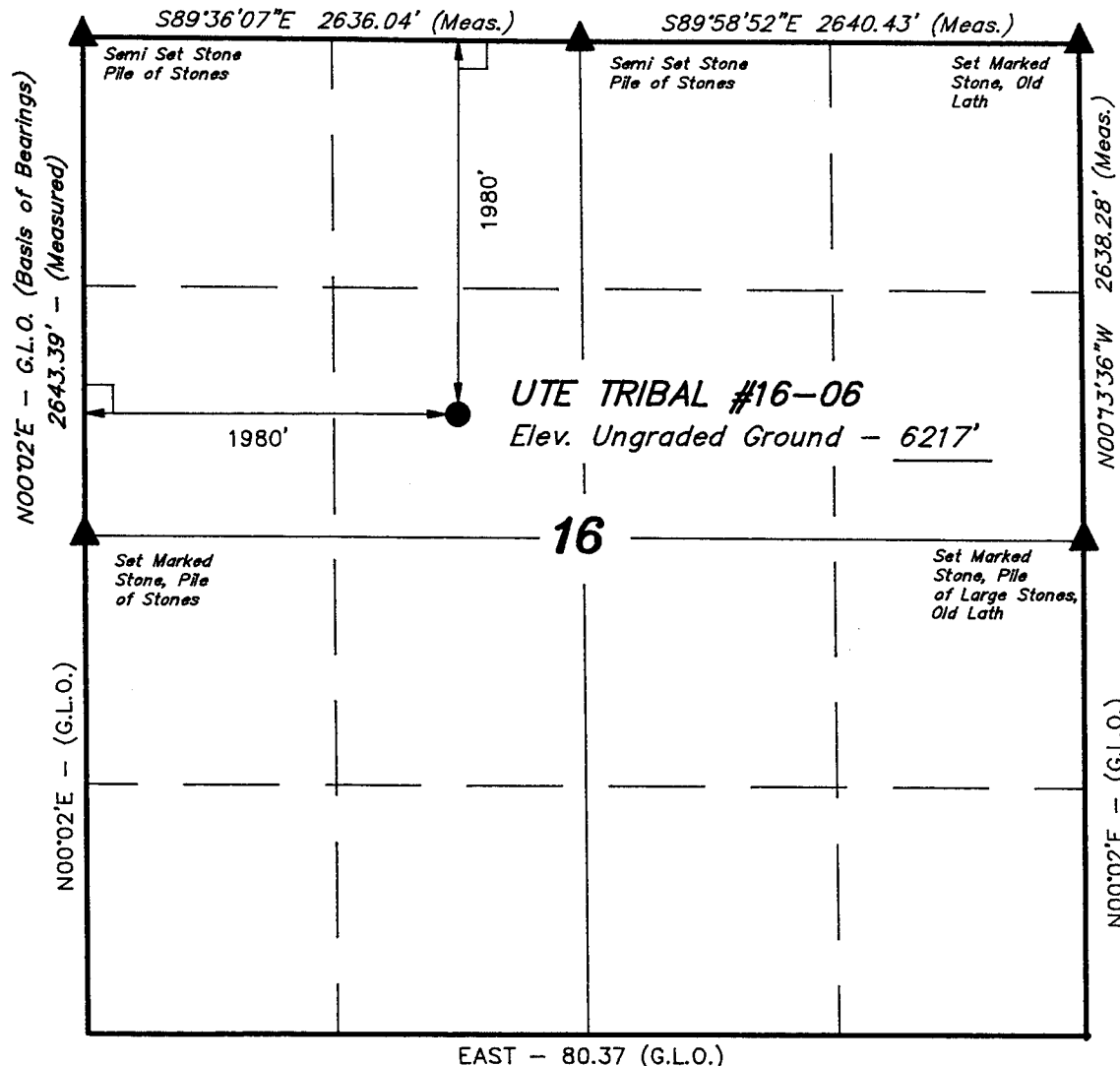
APPROVED BY *[Signature]* TITLE *Petroleum Engineer* DATE *10/2/96*
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

T5S, R3W, U.S.B.&M.

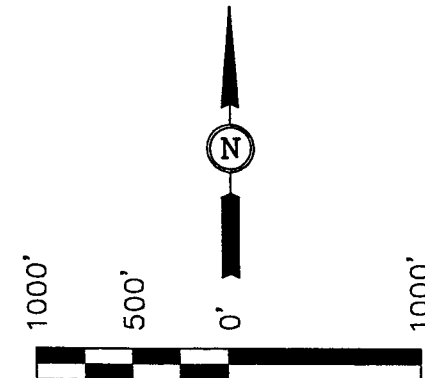
PETROGLYPH OPERATING CO., INC.

Well Location, UTE TRIBAL #16-06, located as shown in SE 1/4 NW 1/4 of Section 16, T5S, R3W, U.S.B.&M. Duchesne County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT ROAD INTERSECTION IN THE SE 1/4 OF SECTION 8, T5S, R3W, U.S.B.&M. TAKEN FROM THE MYTON SW QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6186 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Hays
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

| | | | |
|---------------------------|--|--|------------------------|
| SCALE 1" = 1000' | | DATE SURVEYED: 7-18-96 | DATE DRAWN: 7-26-96 |
| PARTY G.S. J.K. D.R.B. | | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | | FILE PETROGLYPH OPERATING CO., INC. | |

EIGHT POINT PLAN

UTE TRIBAL #16-06
SE/NW SEC. 16, T5S R3W
DUCHESNE COUNTY, UTAH

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

| FORMATIONS | DEPTH | SUBSEA |
|---------------------------|----------|--------|
| Mahogany Shale | 2984 | 3238 |
| 'X' marker | 4578 | |
| Douglas Creek | 4720 | 1504 |
| "B" Limestone | 5107 | 1115 |
| B/Castle Peak Limestone | 5674 | 548 |
| Basal Carbonate Limestone | 6068 | 154 |
| Total Depth | 6398 | -176 |
| Anticipated BHP | 2800 psi | |

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> | <u>Subsea</u> |
|---------------------|------------------|--------------|---------------|
| Oil/Gas | Douglas Creek | 4720 | 1502 |
| Oil/Gas | B/Castle Peak | 5674 | 548 |
| Other mineral zones | N/A | | |

3. PRESSURE CONTROL EQUIPMENT : BOP Schematic Diagram attached.

4. CASING PROGRAM :

| | | | | | | <u>MINIMUM SAFETY FACTOR</u> | | |
|------------------|-----------------|---------------|-------------|---------------|--------------|------------------------------|--------------|----------------|
| <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>LENGTH</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| 12 1/4 | 0' - 250' | 250' | 8 5/8 | 24.0 # | J-55 | 1370 PSI | 2950 PSI | 263,000# |
| 7 7/8 | 0' - 6398' | 6398' | 5 1/2 | 15.5 # | M-50 | 4040 PSI | 4810 PSI | 202,000# |

All casing will be new or inspected.

EIGHT POINT PLAN

UTE TRIBAL #16-06
SE/NW SEC. 16, T5S R3W
DUCHESNE COUNTY, UTAH

5. MUD PROGRAM

INTERVAL

0' - 250'
250' - 4000'
4000' - TD
TD

MUD TYPE

Air
Air/Mist & Aerated Water
Air/3% KCL water or KCL substitute
Gel/polyacrylamide polymer w/5-10% LCM

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. Petroglyph Operating Co., Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Co., Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

7. EVALUATION PROGRAM:

| | |
|---|------------------------------|
| Logs: Mud Logging | T.D. to base of surface csg. |
| Compensated Density-Compensated Neutron Log | T.D. to base of surface csg. |
| Dual Laterolog - Micro-SFL | T.D. to base of surface csg. |
| Numar (Magnetic Resonance Imaging Log) | @ Geologists discretion |

Cores: None Programmed

DST': None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

EIGHT POINT PLAN

UTE TRIBAL #16-06
SE/NW SEC. 16, T5S R3W
DUCHESNE COUNTY, UTAH

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

2000 PSIG DIAGRAM

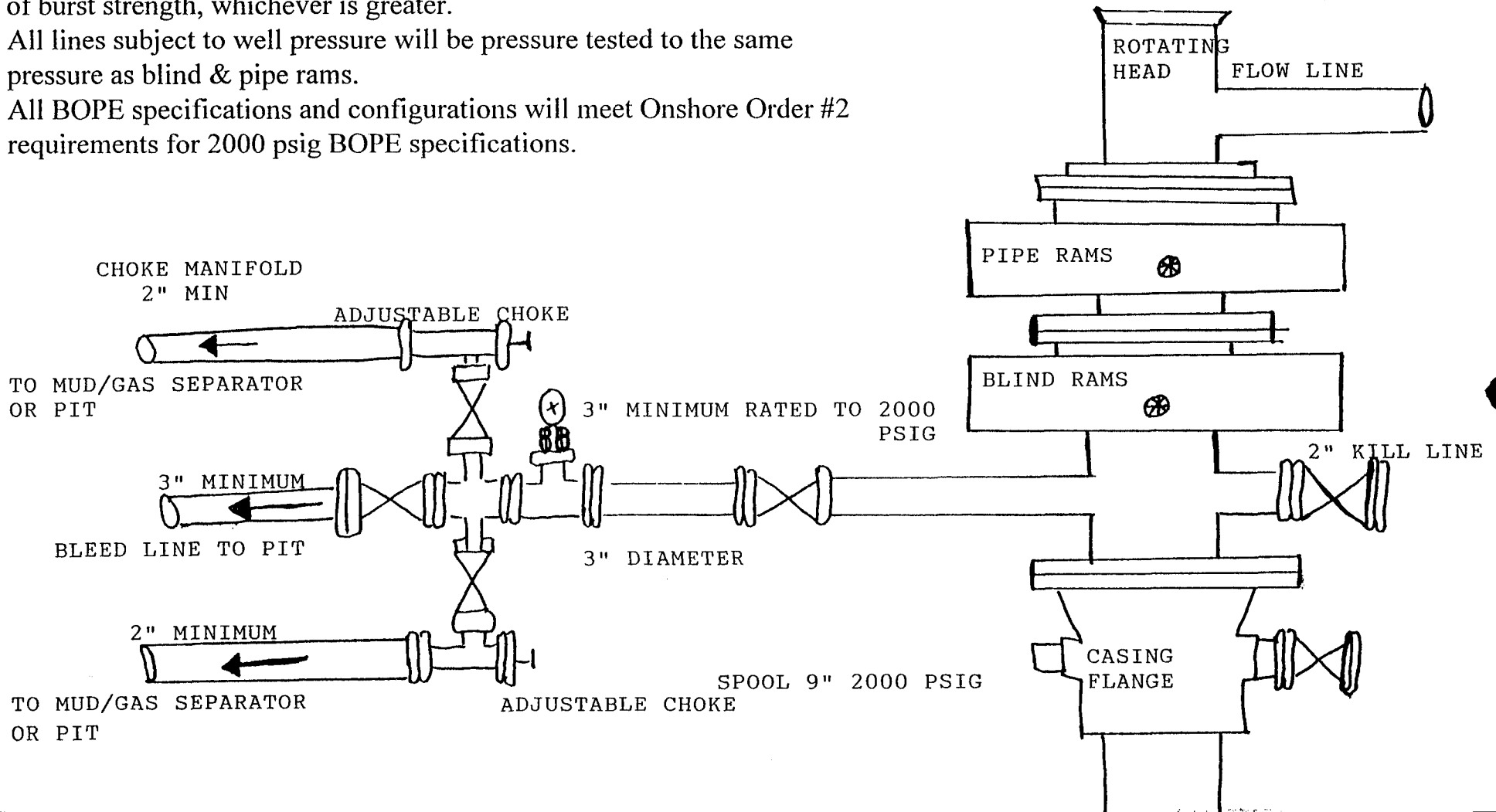
BOTH RAMS ARE 2000 PSIG RATED.

CASING FLANGE IS 9" 2000 PSIG RATED.

BOPE 9" 2000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind rams will be tested to rated working pressure, 2000 psig
3. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.



CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Co., Inc.
Well Name & Number: Ute Tribal # 16-06
Lease Number: BIA 14-20-H62-3511
Location: 1980' FNL & 1980' FWL SE/NW, Sec. 16, T5S R3W
U.S.B.&M., Duchesne County, Utah
Surface Ownership: Ute Indian Tribe

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice To Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing road.
- B. The proposed well site is located approximately 20.4 miles southwest of Myton, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.1 miles in length. See attached TOPO Map "B"
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way.

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the

roadbed as necessary to provide a well-constructed safe road.

Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of- Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Co., Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells - None
- B. Abandoned wells - None
- C. Temporarily abandoned wells - None.
- D. Disposal wells - None.
- E. Drilling wells - None.
- F. Producing wells - 2*
- G. Shut in wells - None
- H. Injection wells - None

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None
- 2. Production facilities-To be submitted later
- 3. Oil gathering lines - None

4. Gas gathering lines-None
5. Injection lines - None
6. Disposal lines - None
7. Surface pits - None

B. OFF WELL PAD

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4 1/2" OD steel above ground production pipeline will be laid approximately 1500' from proposed location to a point in the SE/NW of Section 16, T5S, R3W, where it will tie into Petroglyph Operating Co., Inc.'s existing facility at the Ute Tribal #16-02 tank battery. Proposed pipeline crosses Ute Tribe lands, thus a Right-of-Way grant will be required. See attached TOPO Map D showing pipeline route.
3. Proposed pipeline will be a 4 1/2" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the Ute Tribal # 16-02 location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities required will be painted within 6 months of installation. Facilities required to comply with O.S.H.A.

(Occupational Safety and Health Act) will be excluded.
The required paint color is Desert Brown.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Target Trucking's Roosevelt Brine Storage and/or Target's water source in SE 1/4, Sec. 1, T 4S, R 5W Duchesne County, Utah (State water right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by Target Trucking.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Ute Tribal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BIA administered land:

All reserve pits will be lined with either native clay, commercial bentonite or plastic sufficient to prevent seepage. (If a plastic nylon reinforced liner is used, it shall be torn and perforated after the pit dries and before backfilling of the reserve pit).

A 12 mill liner shall be installed in the reserve pit.

To protect the environment:

If the reserve pit is lined the operator will provide the BIA with a chemical analysis of the fluids in that pit no later than 90 days after the well completion to determine the method for final reclamation of the reserve pit. If the elemental concentrations shown by the chemical analysis exceeds the requirements described by part II, Standards of Quality for Waters of the State, Wastewater Disposal Regulations, State of Utah Division of Health, the contents and liner will be removed and disposed of at an authorized disposal site.

To protect the environment (without a chemical analysis)
reserve pits will be constructed so as not to leak, break, or allow discharge of liquids.

Storage tanks will be used if drill sites are located on tribal

irrigable land, flood plains, or on lands under crop production. After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the South side of the location.

The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the East end.

Access to the well pad will be from the West.

N/A Diversion ditch(es) shall be constructed on the _____ side of the location (above/below) the cut slope, draining to the _____

N/A Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____

N/A The drainage(s) shall be diverted around the sides of the well pad location.

N/A The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____

X Corners No. 2 & 6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS

All pits will be fenced according to the following minimum standards:

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BIA or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguards (shall/ shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BIA, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to

satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion (weather permitting). Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and BIA will attach the appropriate surface rehabilitation conditions of approval.

ON BIA Administered lands:

Abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) reestablishing irrigation systems where applicable, (b) reestablishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and, (c) ensuring revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

11. SURFACE OWNERSHIP

Access road: Ute Indian Tribe

Location: Ute Indian Tribe

12. OTHER INFORMATION

- A. Petroglyph Operating Co., Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
- whether the materials appear eligible for the National Register of historic Places;

the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, Petroglyph Operating Co., Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BIA,

or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Tribal Lands after the conclusion of drilling operations or at any other time without BIA authorization. However, if BIA authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

On BIA administered land:

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way authorization". All operators, subcontractors, vendors, and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members (d) that permits must be obtained from the BIA before cutting firewood or other timber products, and (e) only authorized personnel permitted. All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator,

the lease serial number, the well name and number, the survey description of the well (either footage or the quarter-quarter section, the section, township, and range).

Additional Surface Stipulations

N/A No construction or drilling activities shall be conducted between

_____ and _____ because of _____

N/A No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.

N/A No construction or exploration activities are permitted within 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.

N/A There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).

N/A No cottonwood trees will be removed or damaged.

N/A Pond will be constructed according to BLM specifications approximately _____ ft. _____ of the location, as flagged on onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING

Ed Trotter

1620 West 750 North

Vernal UT 84078

Telephone # (801)789-4120

Fax # (801) 789-1420

OPERATIONS

Deanna Bell

P.O. Box 607

Roosevelt, UT 84066

(801) 722-2531

Fax # (801) 722-9145

All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Co., Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The BIA Office shall be notified upon site completion prior to moving on the drilling rig.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Co., Inc. and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

9-17-96

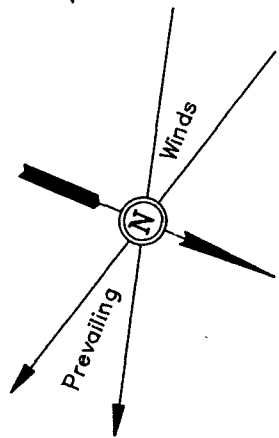
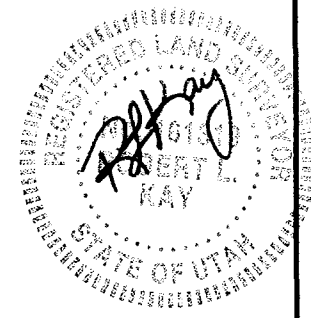
Date

Jed L. Prother

PETROGLYPH OPERATING CO., INC.

LOCATION LAYOUT FOR

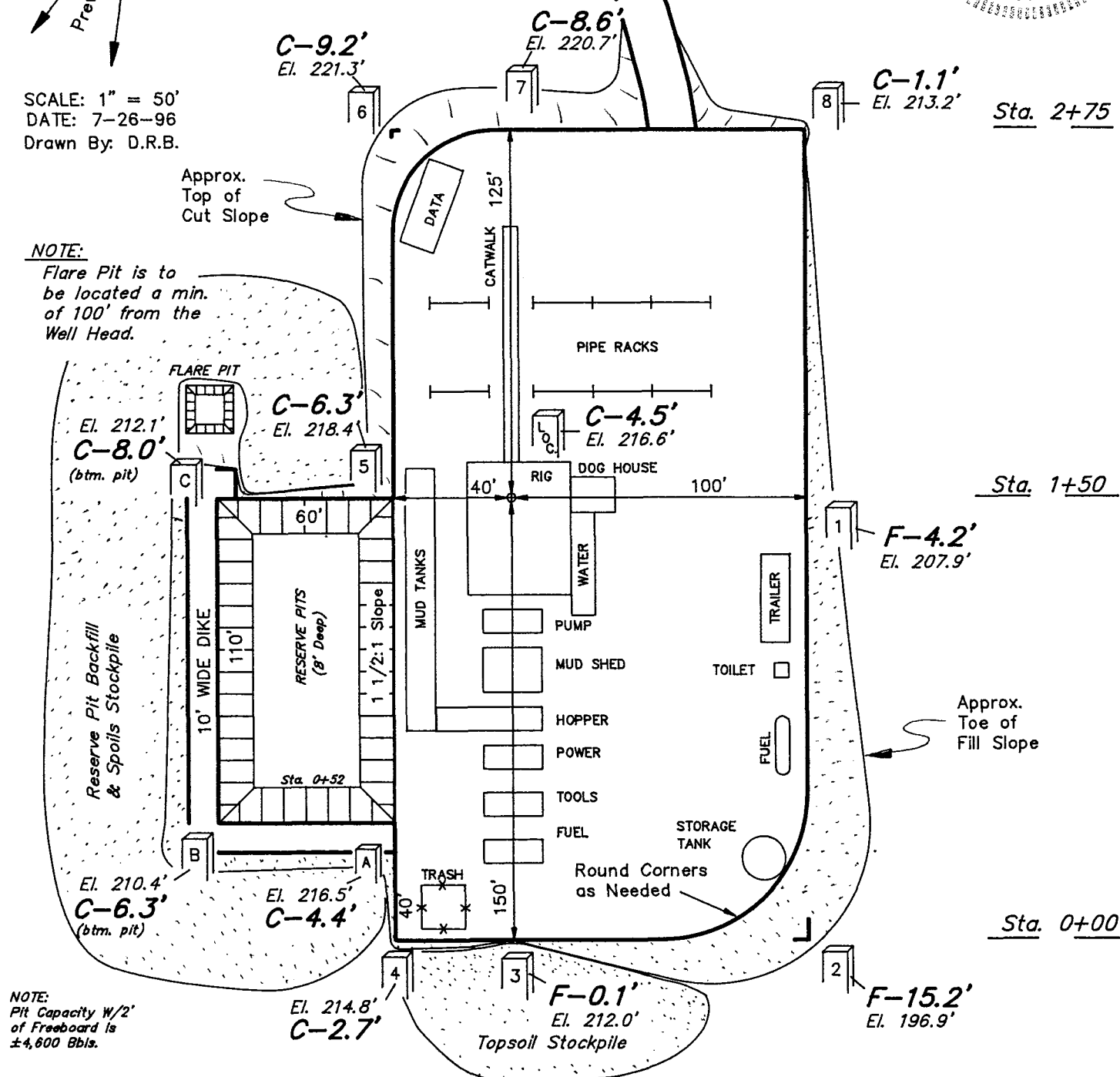
UTE TRIBAL #16-06
SECTION 16, T5S, R3W, U.S.B.&M.
1980' FNL 1980' FWL



SCALE: 1" = 50'
DATE: 7-26-96
Drawn By: D.R.B.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



NOTE:
Pit Capacity W/2'
of Freeboard is
±4,600 Bbls.

Elev. Ungraded Ground at Location Stake = 6216.6'

Elev. Graded Ground at Location Stake = 6212.1'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

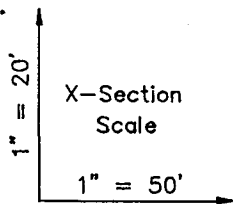
PETROGLYPH OPERATING CO., INC.

TYPICAL CROSS SECTIONS FOR

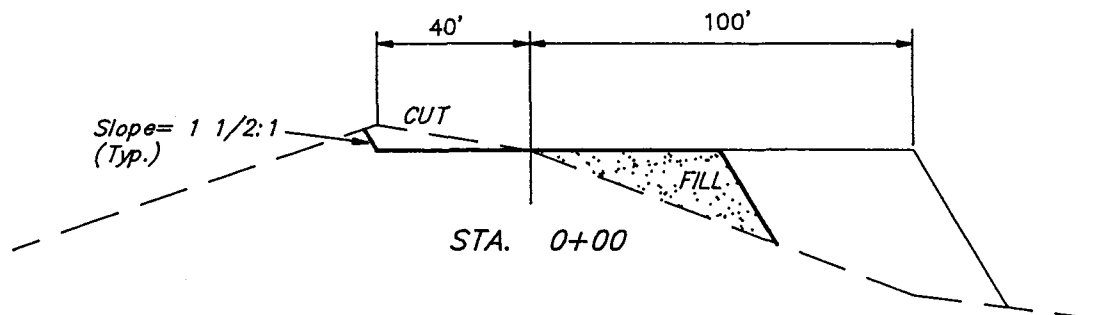
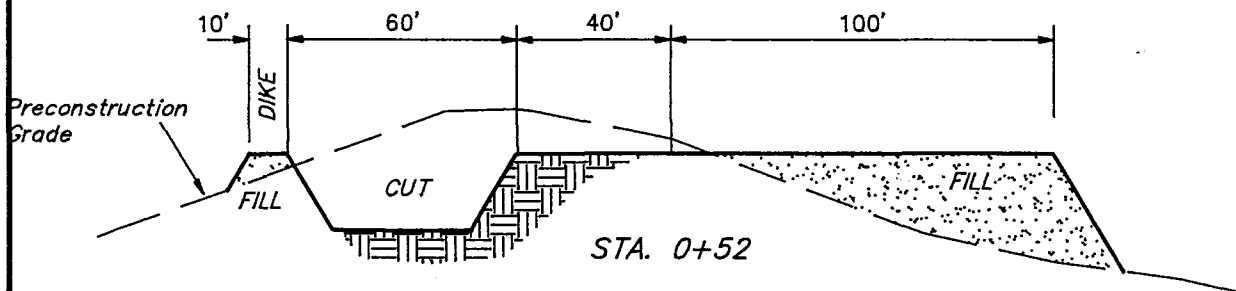
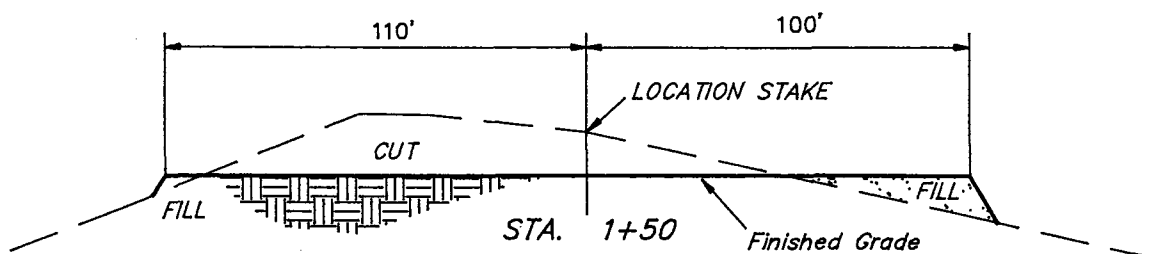
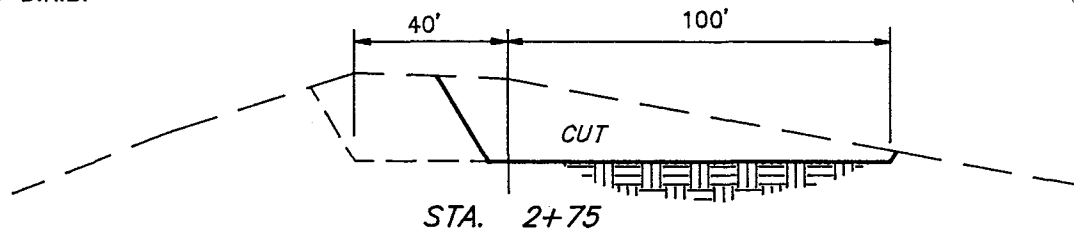
UTE TRIBAL #16-06

SECTION 16, T5S, R3W, U.S.B.&M.

1980' FNL 1980' FWL



DATE: 7-26-96
Drawn By: D.R.B.

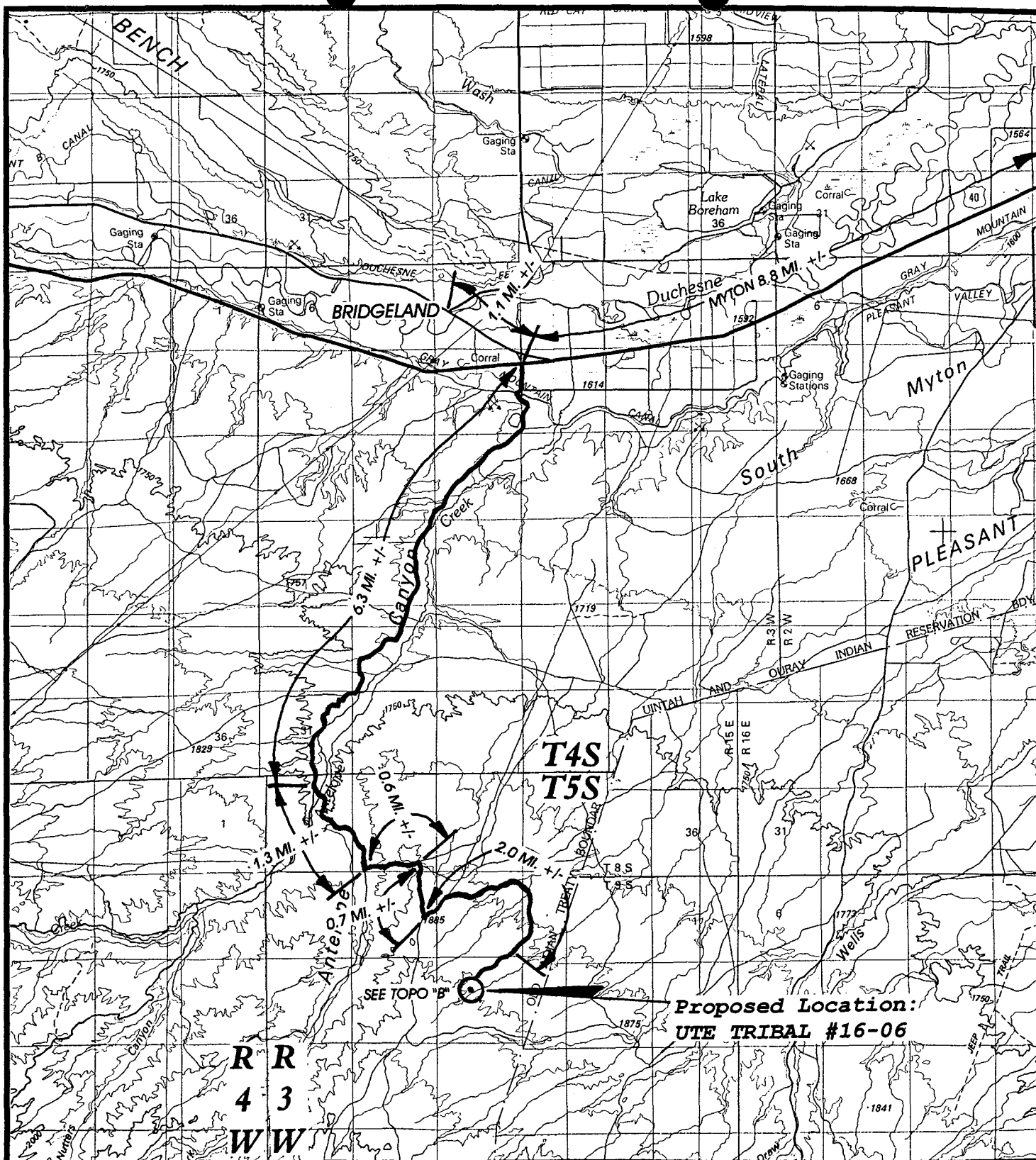


APPROXIMATE YARDAGES

(12") Topsoil Stripping = 1,670 Cu. Yds.
Remaining Location = 5,030 Cu. Yds.
TOTAL CUT = 6,700 CU.YDS.
FILL = 4,110 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 2,370 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 2,370 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



UEIS

**TOPOGRAPHIC
MAP "A"**

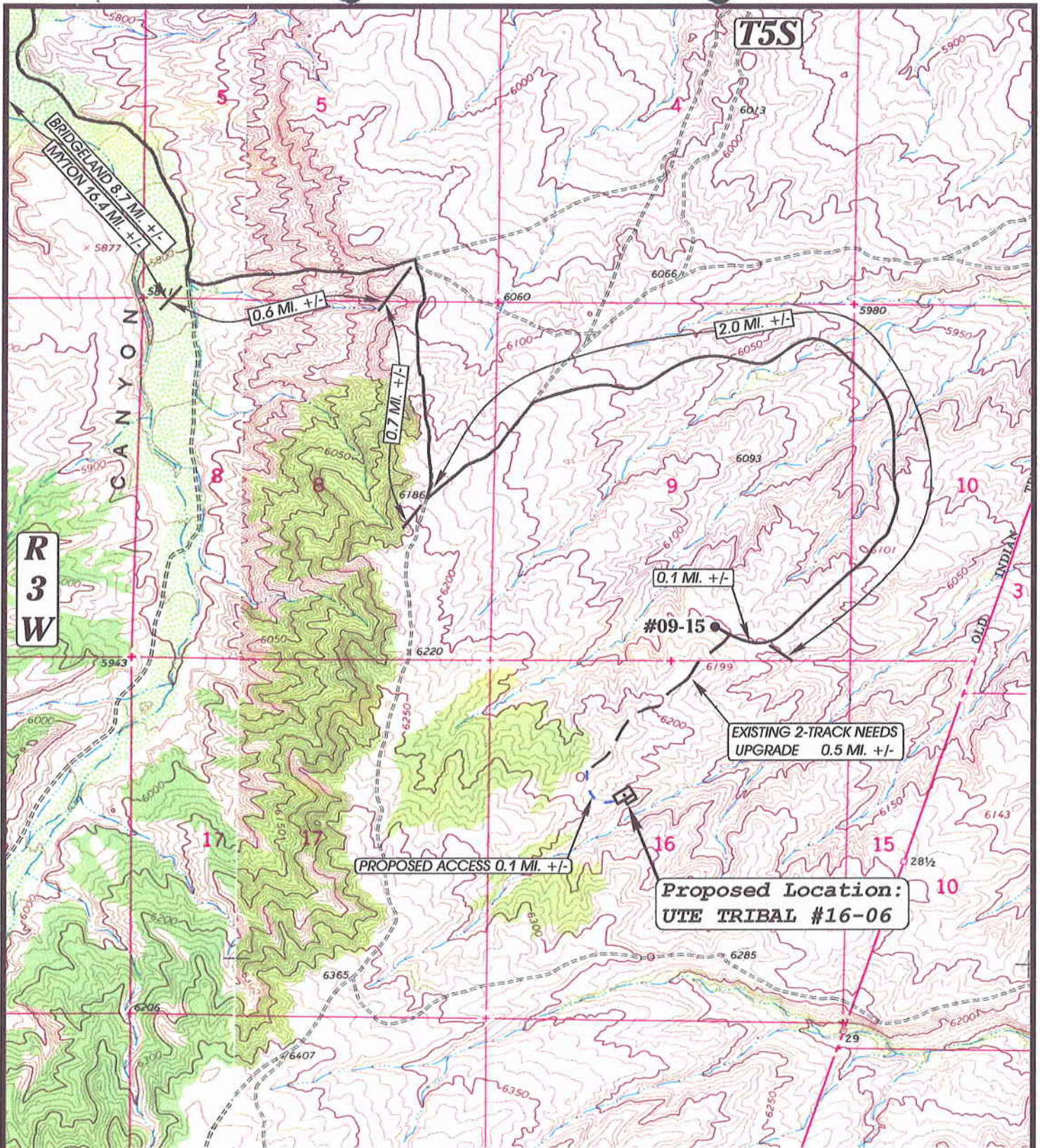
DATE: 7-26-96
Drawn by: D.COX

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



PETROGLYPH OPERATING CO., INC.

UTE TRIBAL #16-06
SECTION 16, T5S, R3W, U.S.B.&M.
1980' FNL 1980' FWL



UELS

TOPOGRAPHIC MAP "B"

**DATE: 7-26-96
Drawn by: D.COX**

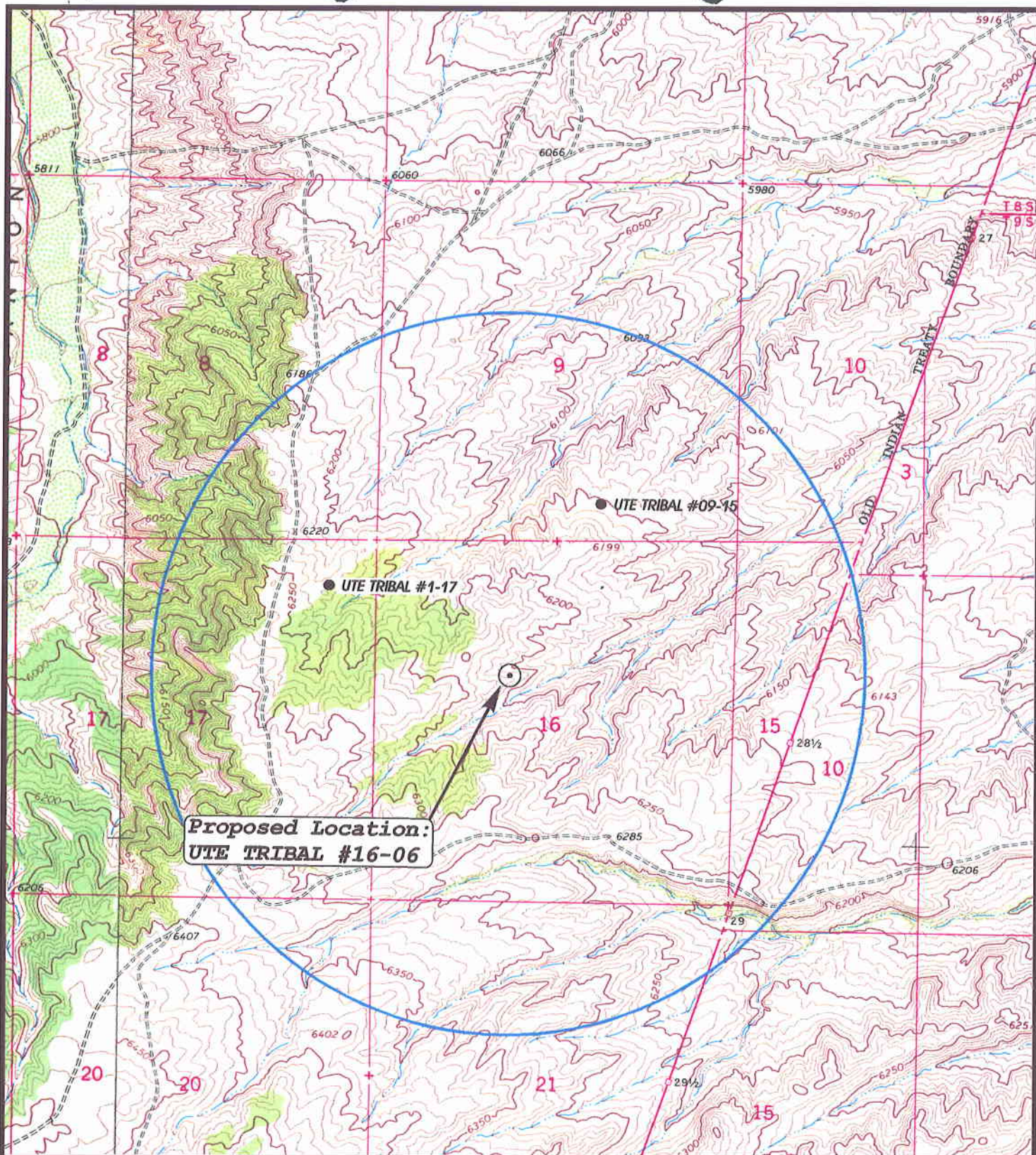
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



PETROGLYPH OPERATING CO., INC.

**UTE TRIBAL #16-06
SECTION 16, T5S, R3W, U.S.B.&M.
1980' FNL 1980' FWL**

SCALE: 1" = 2000'



Proposed Location:
UTE TRIBAL #16-06

LEGEND

- Water Wells
- Abandoned Wells
- Temporarily Abandoned Wells
- Disposal Wells
- Drilling Wells
- Producing Wells
- Shut-In Wells

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

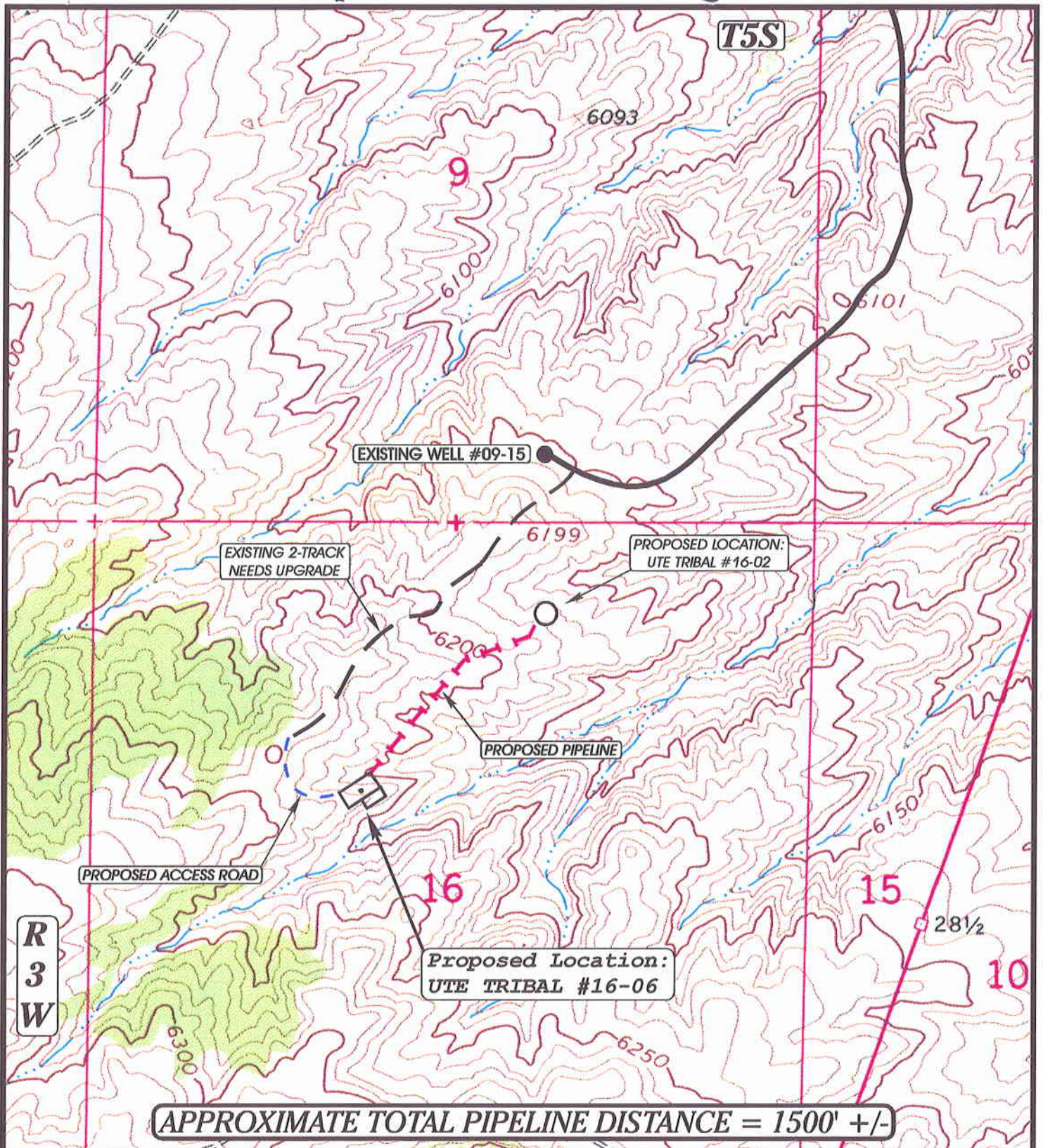


SCALE: 1" = 2000'

PETROGLYPH OPERATING CO., INC.

UTE TRIBAL #16-06
SECTION 16, T5S, R3W, U.S.B.&M.
TOPOGRAPHIC
MAP "C"

DATE: 7-26-96
DRAWN: D.COX



**TOPOGRAPHIC
MAP "D"**

UELS

----- Existing Pipeline
 HHHHHHHH Proposed Pipeline



PETROGLYPH OPERATING CO., INC.

**UTE TRIBAL #16-06
 SECTION 16, T5S, R3W, U.S.B.&M.**

**DATE: 7-26-96
 Drawn by: D.COX**

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/19/96

API NO. ASSIGNED: 43-013-31710

WELL NAME: UTE TRIBAL 16-06
OPERATOR: PETROGLYPH OPERATING CO (N3800)

PROPOSED LOCATION:

SENW 16 - T05S - R03W
SURFACE: 1980-FNL-1980-FWL
BOTTOM: 1980-FNL-1980-FWL
DUCHESNE COUNTY
ANTELOPE CREEK FIELD (060)

LEASE TYPE: IND
LEASE NUMBER: 14-20-H62-3511

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /

| TECH REVIEW | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State ☐ Fee ☐
(Number 80 4556)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number 43-10152)
☒ RDCC Review (Y/N)
(Date:)

LOCATION AND SITING:

☐ R649-2-3. Unit: _____
☒ R649-3-2. General.
☐ R649-3-3. Exception.
☐ Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS:

STIPULATIONS:

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

| | |
|---------------------------------------|--------------------------------------|
| Operator: PETROGLYPH OPERATING | Well Name: UTE TRIBAL 16-06 |
| Project ID: 43-013-31710 | Location: SEC. 16 - T5S - R3W |

Design Parameters:

Mud weight (8.33 ppg) : 0.433 psi/ft
 Shut in surface pressure : 2352 psi
 Internal gradient (burst) : 0.065 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using buoyed weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

| Length (feet) | Size (in.) | Weight (lb/ft) | Grade | Joint | Depth (feet) | Drift (in.) | Cost |
|---|---------------|-------------------|--|-------|-----------------|--|------------|
| 1 6,398 | 5.500 | 15.50 | M-50 | ST&C | 6,398 | 4.890 | |
| Collapse Load Strgth S.F. (psi) (psi) | | | Burst Min Int Yield Load Strgth S.F. (psi) (psi) | | | Tension Load Strgth S.F. (kips) (kips) | |
| 1 | 2769 | 3650 1.318 | 2769 | 4550 | 1.64 | 86.54 | 186 2.15 J |

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 09-19-1996
 Remarks :

GREEN RIVER

Minimum segment length for the 6,398 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.75, and a mean gas temperature of 118°F (Surface 74°F , BHT 164°F & temp. gradient 1.400°/100 ft.)

String type: Production

The mud gradient and bottom hole pressures (for burst) are 0.433 psi/ft and 2,769 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

| | |
|---|--------------------------------------|
| Operator: PETROGLPYH OPERATING C | Well Name: UTE TRIBAL 16-06 |
| Project ID: 43-013-31710 | Location: SEC. 16 - T5S - R3W |

Design Parameters:

Mud weight (8.33 ppg) : 0.433 psi/ft
 Shut in surface pressure : 2376 psi
 Internal gradient (burst) : 0.061 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

| Length (feet) | | Size (in.) | Weight (lb/ft) | Grade | Joint | Depth (feet) | Drift (in.) | Cost |
|------------------|---|---------------|-------------------|------------------------|----------------------------|-----------------|--|------------|
| 1 | 6,398 | 5.500 | 15.50 | M-50 | ST&C | 6,398 | 4.890 | |
| | Collapse Load Strgth S.F. (psi) (psi) | | | Burst Load (psi) | Min Int Strgth (psi) | Yield S.F. | Tension Load Strgth S.F. (kips) (kips) | |
| 1 | 2769 | 3650 | 1.318 | 2769 | 4550 | 1.64 | 99.17 | 186 1.88 J |

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 10-02-1996
 Remarks :

GREEN RIVER

Minimum segment length for the 6,398 foot well is 1,500 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas

temperature of 119°F (Surface 74°F , BHT 164°F & temp. gradient 1.400°/100 ft.)

String type: Production

The mud gradient and bottom hole pressures (for burst) are 0.433 psi/ft and
 2,769 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

October 2, 1996

Petroglyph Operating Company, Inc.
P.O. Box 607
Roosevelt, Utah 84066

Re: Ute Tribal 16-06 Well, 1980' FNL, 1980' FWL, SE NW, Sec. 16,
T. 5 S., R. 3 W., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31710.

Sincerely,

RJM
for R. J. Firth
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Petroglyph Operating Company, Inc.
Well Name & Number: Ute Tribal 16-06
API Number: 43-013-31710
Lease: 14-20-H62-3511
Location: SE NW Sec. 16 T. 5 S. R. 3 W.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

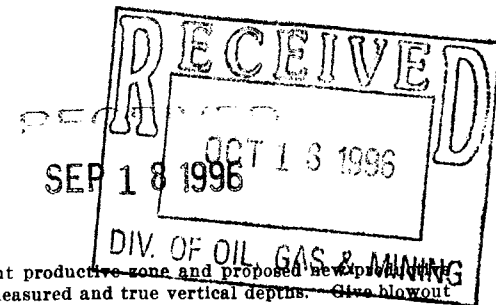
| | | |
|--|----------------------------------|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | | 5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3511 |
| b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME UTE INDIAN TRIBE |
| 2. NAME OF OPERATOR PETROGLYPH OPERATING COMPANY INC. | | 7. UNIT AGREEMENT NAME |
| 3. ADDRESS OF OPERATOR P.O. BOX 607 ROOSEVELT, UT 84066 | | 8. FARM OR LEASE NAME UTE TRIBAL |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FNL & 1980' FWL SE/4 NW/4 At proposed prod. zone 43-013-31710 | | 9. WELL NO. #16-06 |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 20.4 MILES SOUTHWEST OF MYTON, UTAH | | 10. FIELD AND POOL, OR WILDCAT ANTELOPE CREEK |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980' | 16. NO. OF ACRES IN LEASE 640 | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SEC. 16, T5S, R3W |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. | 19. PROPOSED DEPTH 6398' | 12. COUNTY OR PARISH DUCHESTER |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6212' GRADED GROUND | | 13. STATE UTAH |
| 22. APPROX. DATE WORK WILL START* SEPTEMBER, 1996 | | |

| PROPOSED CASING AND CEMENTING PROGRAM | | | | |
|---------------------------------------|----------------|-----------------|---------------|---|
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| 12 1/4 | 8 5/8 | 24.0# | 250' | 135 sx class "G" + 2% CaCl ₂ |
| 7 7/8 | 5 1/2 | 15.5# | 6398' | + 1/4 #/sx celloflake. |

50/50 POZMIX + 2% GEL + 10%
SALT TO 400' ABOVE ALL ZONE
OF INTEREST (+10% EXCESS) +
LCM TO 200' ABOVE OIL SHALE
OR FRESH WATER INTERVALS
(+ 5% EXCESS).

PETROGLYPH OPERATING COMPANY INC. WILL BE THE DESIGNATED
OPERATOR OF THE SUBJECT WELL UNDER BOND # BO 4556.

pc: Utah Division of Oil, Gas & Mining
Bureau of Indian Affairs, Fort Duchesne Utah
Ute Indian Tribe, Fort Duchesne Utah



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE AGENT DATE 9-17-96

(This space for Federal or State office use)

PERMIT NO. [Signature] Assistant Field Manager
APPROVED BY [Signature] Mineral Resources DATE OCT 02 1996
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company

Well Name & Number: Ute Tribal 16-06

API Number: 43-013-31710

Lease Number: 14-20-H62-3511

Location: SENW Sec. 16 T. 5S R. 3W

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative by the operator to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report **ALL** water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

If conductor pipe is set it will be cemented to surface. If drive pipe is used it will be pulled prior to cementing surface casing.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected via the cementing program. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to **TOP OF CEMENT** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9. d.), and shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b. 4).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted following initial installation and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approval or notification is necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

Petroglyph Operating Company Inc.
Well No. Ute Tribal #16-06

SURFACE USE PLAN OF OPERATION
Conditions of Approval (COA's)

1. The Ute Tribe Energy and Minerals Department is to be notified 48 hours prior to construction.
2. Petroglyph Operating Company will assure the Ute Tribe that any/all contractors/subcontractors have acquired a Tribal Business License and have an Access Permit prior to construction.
3. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
4. All recommendations of the Bureau of Indian Affairs, combined site specific Environmental Analysis (EA) report shall be strictly adhered, during and after construction.
5. All personnel should refrain from collecting artifacts and from disturbing any significant cultural remains from subsurface deposits at are exposed or identified during construction.
6. The personnel from the Ute Tribe Energy & Minerals Department should be consulted, should cultural remains from subsurface deposits be exposed or identified during construction.
7. Upon completion of Application for Permit to Drill and Right-of-way, the Ute Tribe Energy & Minerals Resource Department will be notified by Petroglyph Operating Company so that a Tribal Technician can verify Affidavit of Completions.

Mitigation stipulations from the combined site specific Environmental Analysis.

1. Before the site is abandoned the company will be required to restore the well pad and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.
2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.
3. The pipeline will be constructed to lay on the soil surface, and the right-of-way will not be bladed or cleared of vegetation.

Where pipelines are constructed parallel to roads they may be welded on the road and then lifted from the road onto the right-of-way.

Where pipelines do not parallel roads but cross country between stations, they shall be welded in place at wellsites or on access roads and then pulled between stations with a suitable piece of equipment. Traffic will be restricted along these areas so that the pipeline right-of-way will not be used as an access road.

4. An open drilling system shall be used. Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are backfilled the surplus oil and mud, etc will be buried a minimum of 3.0 feet below the surface of the soil.
5. A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, well sites or other areas will not be allowed.
6. Although the access roads have a 30 foot right-of-way the bladed area of the road will be limited to 21 feet in all areas except where deep cuts and fills are required, sharp turns are required, or at the intersections with other roads.
7. To reduce surface disturbance, the entrance to the proposed access road will be moved north from where it is staked to a point agreed to at the onsite where it will exit at the southwest corner of wellsite #09-15.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: PETROGLYPH OPERATING

Well Name: UTE TRIBAL 16-06

Api No. 43-013-31710

Section 16 Township 5S Range 3W County DUCHESNE

Drilling Contractor UNION

Rig # 12

SPUDDED:

Date 2/7/97

Time

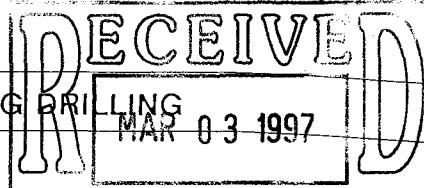
How ROTARY

Drilling will commence

Reported by D. INGRAM

Telephone #

Date: 2/10/97 Signed: JLT

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: UTE Tribol 16-06API number: 93-013-317102. Well Location: QQ _____ Section _____ Township _____ Range _____ County Duchesne3. Well operator: Petroglyph

Address: _____

Phone: _____

4. Drilling contractor: Union Drilling CoAddress: PO DRAWER 40Buckhannon WV 26201Phone: 304-472-4610

5. Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|-----|-------------------------------|-----------------------------|
| FROM | TO | | |
| 160' | 293 | 1/4" at 7" Flowline | Fresh |
| 293 | | DRY | |
| | 997 | Damp | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

6. Formation tops:

BlowTEST535'DRYBlowTEST1355'1/4" F / 7" Flowline

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

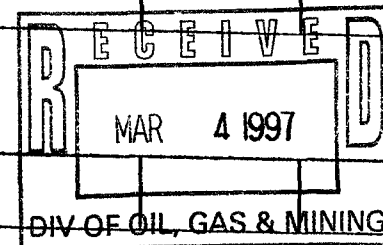
I hereby certify that this report is true and complete to the best of my knowledge.

Date: 2-9-97Name & Signature: Chris ChapmanTitle: DRILLER

OPERATOR Petroglyph Operating Co., Inc.
ADDRESS P.O. Box 1839
Hutchinson, KS 67504-1839

OPERATOR ACCT. NO N3800

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | WELL LOCATION | | | | | SPUD DATE | EFFECTIVE DATE |
|---|--------------------|----------------|--------------|------------------|---------------|----|----|----|----------|-----------|----------------|
| | | | | | QQ | SC | TP | RG | COUNTY | | |
| A | 99999 | 12083 | 43-013-31710 | Ute Tribal 16-06 | SEnw | 16 | 5S | 3W | Duchesne | 2-7-97 | |
| WELL 1 COMMENTS: <i>Entity added 3-4-97. See</i> Ute Tribal 16-06 will be a tank battery | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 2 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 3 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 4 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |
| WELL 5 COMMENTS: | | | | | | | | | | | |
| | | | | | | | | | | | |



ACTION CODES (See instructions on back of form)
A - Establish new entity for new well (single well only)
B - Add new well to existing entity (group or unit well)
C - Re-assign well from one existing entity to another existing entity
D - Re-assign well from one existing entity to a new entity
E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Deanna K. Bell
Signature Deanna K. Bell
Operations Coordinator 2-10-97
Title _____ Date _____
Phone No. (801) 722-2531

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

| | | | |
|---|--|--|------------------------------------|
| 1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____ | | 5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3511 | |
| b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. REVR. <input type="checkbox"/> Other _____ | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute Indian Tribe | |
| 2. NAME OF OPERATOR Petroglyph Operating Company, Inc. | | 7. UNIT AGREEMENT NAME 14-20-H62-4650 | |
| 3. ADDRESS OF OPERATOR P.O. Box 1839, Hutchinson, KS 67504-1839 | | 8. FARM OR LEASE NAME Ute Tribal | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1980' FNL & 1980' FWL, SE NW At top prod. interval reported below At total depth 6399' RTD | | 9. WELL NO. 16-06 | |
| 14. PERMIT NO. 43-013-31710 | | DATE ISSUED | |
| 15. DATE SPUDDED 2-7-97 | | 16. DATE T.D. REACHED 2-14-97 | |
| 17. DATE COMPL. (Ready to prod.) 3-3-97 | | 18. ELEVATIONS (OF, RKB, RT, GR, ETC.)* 6212' | |
| 19. ELEV. CASINGHEAD | | 20. TOTAL DEPTH, MD & TVD 6399' | |
| 21. PLUG BACK T.D., MD & TVD 6352' | | 22. IF MULTIPLE COMPL. HOW MANY* | |
| 23. INTERVALS DRILLED BY | | ROTARY TOOLS | |
| 24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* Green River | | 25. WAS DIRECTIONAL SURVEY MADE | |
| 26. TYPE ELECTRIC AND OTHER LOGS RUN CNL, AIT 5-2-97 | | 27. WAS WELL CORED | |
| 28. CASING RECORD (Report all strings set in well) | | | |
| CASING SIZE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE |
| 8-5/8 | 24# | 280 | 12-1/4 |
| 5-1/2 | 15.5# | 6397 | 7-7/8 |
| CEMENTING RECORD | | AMOUNT PULLED | |
| 160 sx Type V + 2% CaCl2 | | | |
| 90 sx Hifill + 345 sx Thixotropic | | | |
| 29. LINER RECORD | | | |
| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* |
| | | | |
| 30. TUBING RECORD | | PACKER SET (MD) | |
| SIZE | DEPTH SET (MD) | | |
| 2-7/8 | 5212 | | |
| 31. PERFORATION RECORD (Interval, size and number) | | | |
| 5047-57 (41 shots) | | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. | |
| 4768-72 (17 shots) | | DEPTH INTERVAL (MD) | |
| 4511-15 (17 shots) | | AMOUNT AND KIND OF MATERIAL USED | |
| 4523-28 (21 shots) | | 5047-57 8963 gal fluid; 32200# prop | |
| | | 4768-72 3700 gal fluid; 13100# prop | |
| | | 4511-28 9429 gal fluid; 39900# prop | |
| 33. PRODUCTION | | | |
| DATE FIRST PRODUCTION | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) | | WELL STATUS (Producing or shut-in) |
| 4-4-97 | pumping; 2-1/2 x 1-3/4 x 16 40 ring PA | | producing |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N. FOR TEST PERIOD |
| 4-7-97 | 24 | | |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24-HOUR RATE | OIL—BBL. |
| | 690 | | 37 |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) sold; used for fuel | | GAS—MCF. | |
| | | 0 | |
| 35. LIST OF ATTACHMENTS | | WATER—BBL. | |
| | | 47 | |
| | | OIL GRAVITY-API (CORR.) | |
| | | | |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records | | | |
| SIGNED <u>Gemma Balsuck</u> | | TITLE <u>Production Analyst</u> | |
| | | DATE <u>4-28-97</u> | |

*(See Instructions and Spaces for Additional Data on Reverse Side)

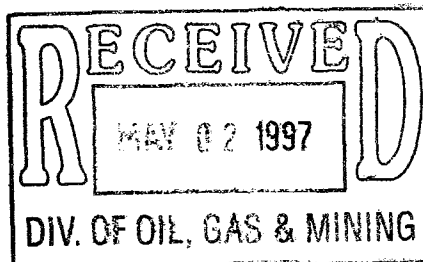
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
|-----------------|-------|--------|-----------------------------|------|-------------|------------------|
| | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| X Marker | 4572' | | | | | |
| Douglas Creek | 4715' | | | | | |
| B Limestone | 5100' | | | | | |
| Castle Peak | 5673' | | | | | |
| Basal Carbonate | 6073' | | | | | |

April 28, 1997



Vicky Dyson
State of Utah
Division of Oil, Gas & Mining
1594 W. North Temple, Ste.1210
Salt Lake City, UT 84114

CONFIDENTIAL

Ms. Dyson:

Enclosed please find the logs listed below for the wells located in Duchesne County, Utah.

Well Name
Ute Tribal 16-06
Ute Tribal 16-14

Log
CNL, AIT
CNL, AIT

55 3W16 43013 31710

Please hold these in confidence as permitted in division guidelines. If you need further information, please do not hesitate to call me at 316-665-8500.

Sincerely,

A handwritten signature in cursive script that reads "April Menzies".

April Menzies
Petroleum Engineering/Geology Technician

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
14-20-H62-3511

6. If Indian, Allottee or Tribe Name
Ute Indian Tribe

7. If Unit or CA, Agreement Designation
14-20-H62-4650

8. Well Name and No.
Ute Tribal 16-06

9. API Well No.
43-013-31710

10. Field and Pool, or Exploratory Area
Antelope Creek

11. County or Parish, State
Duchesne County, UT

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Petroglyph Operating Company, Inc.

3. Address and Telephone No.
P.O. Box 1839, Hutchinson, KS 67504-1839; (316) 665-8500

4. Location of Well (Footage, Sec., T., R., or Survey Description)
**1980' FNL & 1980' FWL
SENW Sec. 16-T5S-R3W**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Convert to Injection
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Petroglyph Operating Company, Inc. has submitted an application for a UIC permit to convert the Ute Tribal 16-06 from a producing well to an injection well under the EPA Area Permit #UT2736-00000 within the Antelope Creek Waterflood Project Area located in Duchesne County, Utah.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED
MAY 05 2000
DIVISION OF
OIL, GAS AND MINING

14. I hereby certify that the foregoing is true and correct.

Signed [Signature] Title Operations Coordinator

Date 5/1/00

(This space for Federal or State official use)

Approved by _____ Title _____ Date _____

Conditions of Approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter in its jurisdiction.

*See Instruction on Reverse Side

Ute Tribal 16-06

Page 2 Treatment record

| WELL CASING RECORD - AFTER REWORK <i>(Indicate Additions and Changes Only)</i> | | |
|--|------|--|
| Perforations | | Acid or Fracture |
| From | To | Treatment Record |
| 5044 | 5059 | Reperf with 4 spf |
| 4509 | 4519 | Reperf with 4 spf |
| 4521 | 4529 | Reperf with 4 spf |
| | | |
| | | |
| 5044 | 5059 | treat perms with 1000 gal 15% HCL with Additives |
| 4768 | 4772 | treat perms with 500 gal 15% HCl with additives |
| 4505 | 4529 | treat perms with 1000 gal 15% HCL with Additives |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

RECEIVED

MAR 06 2001

DIVISION OF
OIL, GAS AND MINING

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, DC 20460

EPA**WELL REWORK RECORD**

NAME AND ADDRESS OF PERMITTEE

Petroglyph Operating Company, Inc.

P.O. Box 1839

Hutchinson, KS 67504-1839

NAME AND ADDRESS OF CONTRACTOR

Ute Indian Tribe

LOCATE WELL AND OUTLINE UNIT ON
SECTION PLAT - 640 ACRES

STATE

UT

COUNTY

Duchesne

PERMIT NUMBER

UT2736-04546

SURFACE LOCATION DESCRIPTION

SE 1/4 OF NW 1/4 SECTION 16 TOWNSHIP 5S RANGE 3W

LOCATE WELL IN TWO DIRECTIONS FROM NEAREST LINES OF QUARTER SECTION AND DRILLING UNIT

Surface Location 1980 ft. from North Line of quarter section

and 1980 ft. from West Line of quarter section

WELL ACTIVITY

☐ Brine Disposal☒ Enhanced Recovery☐ Hydrocarbon Storage

Total Depth Before Rework

6399

Total Depth After Rework

6399

Date Rework Commenced

10/9/2000

Date Rework Completed

10/13/2000

TYPE OF PERMIT

☐ Individual☒ Area

Number of Wells 1

Well Number

Ute Tribal 16-06

WELL CASING RECORD - BEFORE REWORK

| Casing | | Cement | | Perforations | | Acid or Fracture Treatment Record |
|--------------|-------|---------------------|-----------------|--------------|------|--------------------------------------|
| Size | Depth | Sacks | Type | From | To | |
| 8-5/8" 24# | 280 | 160 | Class "G" | 5047 | 5057 | 8963 gal fluid; 32200# prop |
| 5-1/2" 15.5# | 6397 | 435 | 90 sxs Highfill | 4768 | 4772 | 3700 gal fluid; 13100# prop |
| | | 345 sxs Thixotropic | | 4511 | 4528 | 9429 gal fluid; 39900# prop |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

WELL CASING RECORD - AFTER REWORK (Indicate Additions and Changes Only)

| Casing | | Cement | | Perforations | | Acid or Fracture Treatment Record |
|---------------|-------|--------|------|--------------|----|--------------------------------------|
| Size | Depth | Sacks | Type | From | To | |
| Same as above | | | | | | See attached page |

DESCRIBE REWORK OPERATIONS IN DETAIL
USE ADDITIONAL SHEETS IF NECESSARY

WIRE LINE LOGS, LIST EACH TYPE

Log Types

Logged Intervals

Complete as injection w/ 2-3/8" @ 4401'. Set pkr, test annulus. Performed M.I.T. test.

CNL, AIT, CBL

CERTIFICATION

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32).

RECEIVED

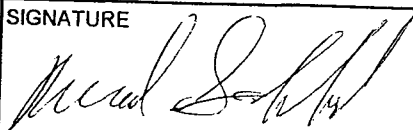
MAR 06 2001

DIVISION OF
OIL, GAS AND MINING

NAME AND OFFICIAL TITLE (Please type or print)

Micheal Safford
Operations Coordinator

SIGNATURE



DATE SIGNED

11-3-00

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposalsFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUBMIT IN TRIPLICATE- Other Instructions on reverse side**

1. Type of Well:

☐ Oil Well ☐ Gas Well ☒ Other **INJECTION**2. Name of Operator **PETROGLYPH OPERATING COMPANY,
CONTACT: MICHEAL SAFFORD COORDINATOR
EMAIL: mikes@petroglyph.net**3a. Address **P.O. BOX 607
ROOSEVELT, UT 84066**3b. Phone No. (include area code)
**TEL: 435.722.2531 EXT:
FAX: 435.722.9145**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 16 T05S R03W SENW 1980FNL 1980FWL

5. Lease Serial No.

1420H623511

6. If Indian, Allottee or Tribe Name

UTE INDIAN TRIBE

7. If Unit or CA Agreement, Name and No.

1420H624650

8. Lease Name and Well No.

UTE TRIBAL 16-06

9. API Well No.

4301331710

10. Field and Pool, or Exploratory

ANTELOPE CREEK

11. County or Parish, State

DUCHESNE, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|--|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input checked="" type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give the subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of involved operations. If the operation results in multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The Ute Tribal 16-06 was converted to an injection well on 10/13/2000.
See attached EPA form Well Rework Record.

Injection commenced on 1/31/2001 under area permit UT2736-04545.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

| | | |
|---|--------|------|
| Name (Printed/Typed) | Title | |
| Signature | Date | |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | |
| Approved by | Title | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction | | |
| ELECTRONIC SUBMISSION #2806 VERIFIED BY THE BLM WELL INFORMATION SYSTEM FOR PETROGLYPH OPERATING COMPANY, SENT TO THE VERNAL FIELD OFFICE | | |

RECEIVED

MAR 06 2001

DIVISION OF
OIL, GAS AND MINING 3/1/2001



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 300
DENVER, CO 80202-2466
<http://www.epa.gov/region08>

RECEIVED

AUG 30 2001

SEP 04 2001

DIVISION OF
OIL, GAS AND MINING

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Micheal Safford
Operations Coordinator
Petroglyph Operating Company, Inc.
P.O. Box 607
Roosevelt, UT 84066

RE: **Authorization to Continue Injection**
Ute Tribal #16-06
EPA Area Permit No. UT2736-00000
EPA Well Permit No. UT04546
Duchesne County, Utah

Dear Mr. Safford:

Thank you for submitting to the Region VIII Ground Water Program office of the Environmental Protection Agency (EPA) the results from the June 29, 2001, radioactive tracer survey (RATS) used to demonstrate Part II (External) Mechanical Integrity (MI) test on the Ute Tribal #16-06 injection well. In the letter accompanying the RATS results, you requested an extension on the time allowed to inject in order to allow for continued stabilization of pressure, and indicated your willingness to run RATS at set intervals until a maximum injection pressure of 1900 psig could be obtained, tested and approved. A limited injection period of up to one hundred and eighty days, beginning January 29, 2001, was authorized to allow for stabilization of the injection formation pressure prior to the demonstration of Part II (External) MI.

The results of the RATS have been reviewed and the EPA has determined that the test adequately demonstrated Part II MI, that injected fluids will remain in the authorized injection interval, at the **tested pressure of 1820 psi**. Therefore, EPA hereby approves this demonstration of Part II (External) MI and authorizes continued injection into the Ute Tribal #16-06 under the terms and conditions of EPA Area Permit UT2736-00000 and the



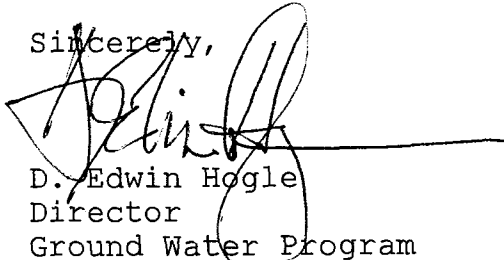
Printed on Recycled Paper

Authorization for Additional Well UT2736-04546 issued under this Area Permit. The maximum allowable injection pressure (MAIP) for this well was 1900 psig per UIC Add Additional Well to Area Permit, dated September 12, 2000.

Please note that the maximum pressure **(1820 psi)** used during a RATS MI demonstration becomes the maximum allowable injection pressure for the well. However, you may apply for a higher maximum allowable injection pressure at a later date after the formation pressure has further stabilized. Your application should be accompanied by the interpreted results from a step rate test that measure the formation fracture pressure and fracture gradient at this location. A copy of EPA guidelines for running and interpreting a step rate test are included with this letter. Should the step rate test result in approval of a higher MAIP, a new Part II (External) MI demonstration must be run. Please note that to use a pressure greater than the **present MAIP of 1820 psig** during a step rate test and RATS, you must first receive prior written authorization from the Director.

If you have any questions in regard to the above action, please contact Chuck Tinsley at 303.312.6266 or Dan Jackson at 303.312.6155. Results from temperature log or other Part II MI test should be mailed directly to the Ground Water Program Director, Mail Code 8P-W-GW.

Sincerely,



D. Edwin Hogle
Director
Ground Water Program

enclosure: Step-Rate Test Procedure

cc: Mr. D. Floyd Wopsock, Chairman
Uintah & Ouray Business Council
Ute Indian Tribe

Ms. Elaine Willie
Environmental Director
Ute Indian Tribe

Mr. Gil Hunt
State of Utah Natural Resources
Division of Oil, Gas, and Mining

Mr. Jerry Kenczka
Bureau of Land management
Vernal District Office

Mr. Nathan Wiser, 8ENF-T
USEPA